

Message Text

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ORIGIN NEA-10

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DRAFTED BY NEA/P:REUNDELAND
APPROVED BY NEA/P:REUNDELAND
S/PRS - MR. CARTER
H - MR. FLATEN
SSM - MR. MC ANDREW
NEA/ARN - MR. DRAPER
NEA/IAI - MR. SMITH
NEA/ARP - MR. TWINAM
NEA/EGY - MR. NEWBERRY

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TO AMEMBASSY AMMAN IMMEDIATE
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AMCONSUL JERUSALEM IMMEDIATE
AMEMBASSY JIDDA IMMEDIATE
AMEMBASSY TEL AVIV IMMEDIATE
AMEMBASSY MANAMA
AMEMBASSY RABAT
AMEMBASSY SANA
AMEMBASSY TEHRAN
AMEMBASSY TRIPOLI
AMEMBASSY TUNIS
USMISSION SINAI
AMCONSUL DHAHRAN
USMISSION GENEVA
AMEMBASSY KHARTOUM
AMEMBASSY LONDON
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AMCONSUL ALEXANDRIA
AMEMBASSY MOSCOW
USMISSION USNATO
AMEMBASSY NOUAKCHOTT
AMEMBASSY PARIS
AMEMBASSY ROME
USMISSION USUN NEW YORK
AMEMBASSY ABU DHABI
AMEMBASSY ALGIERS
USINT BAGHDAD

AMEMBASSY DOHA
AMEMBASSY KUWAIT
USCINCEUR
JCS
DOD
CIA
USIA
NSC

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E.O. 11652: N/A

TAGS: PEPR, XF

SUBJECT: VANCE TESTIMONY: SENATE FOREIGN RELATIONS COMMITTEE

1. FOLLOWING ARE MIDDLE EAST PORTIONS OF THE Q'S AND A'S DURING SECRETARY VANCE'S TESTIMONY BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE MARCH 2.

SENATOR CHURCH: MR. SECRETARY, I'D LIKE TO MENTION THE UNCLASSIFIED

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PROPOSAL FOR THE SALE OF WAR PLANES TO EGYPT AND SAUDI ARABIA AND ISRAEL -- THE PACKAGE THAT YOU WILL BE SENDING UP TO THE CONGRESS.

IN DOING SO, I WOULD HOPE THAT THE CONGRESS DOES NOT RUSH TO JUDGMENT ON THIS ISSUE. IN THE FIRST PLACE, THIS COMMITTEE IS VERY HARD-PRESSED, SINCE OUR TIME IS LARGELY OCCUPIED THESE DAYS WITH REDIGGING THE PANAMA CANAL ON THE SENATE FLOOR.

WE HAVE HAD TO GREATLY CURTAIL THE SCHEDULED MEETINGS OF THE COMMITTEE DURING THE PERIOD OF THIS DEBATE.

I THINK THAT A MATTER OF THIS IMPORTANCE, A 4 OR 5 BILLION DOLLAR BILLION SALE OF WARCRAFT INTO THIS PART OF THE WORLD AT A TIME WHEN NEGOTIATIONS FOR PEACE HANG IN THE BALANCE

NEEDS TO BE CAREFULLY SCRUTINIZED BY THE CONGRESS.

AND I WOULD HOPE THAT BEFORE WE JUMP TO ANY CONCLUSION, WE HAVE AN OPPORTUNITY TO WEIGH WHAT THE ADMINISTRATION HAS TO SAY; ALSO, THAT THE PRESIDENT HAVE AN OPPORTUNITY TO MEET WITH PRIME MINISTER BEGIN AND WITH OTHERS WHO ARE SCHEDULED TO COME TO WASHINGTON.

I SIMPLY WANT TO TELL YOU AT THIS TIME THAT IT IS MY PERSONAL VIEW THAT WE SHOULD GIVE BOTH THE ADMINISTRATION

AND THE CONGRESS A CHANCE TO CONSIDER THIS. THERE IS NO NEED TO RUSH TO JUDGMENT. AND IT IS POSSIBLE THAT CONDITIONS COULD CHANGE IN THE MIDDLE EAST IN THE COMING WEEKS THAT WOULD AFFECT THE DECISION OF THE CONGRESS ON THIS MATTER. I DON'T KNOW WHETHER OTHER MEMBERS SHARE THAT VIEW, BUT I WANT TO EXPRESS IT AS MY OWN.

SENATOR CASE: I WONDER IF THE SENATOR WOULD PERMIT ME TO AGREE WITH HIM COMPLETELY ABOUT THIS, AND TO ADD THIS UNCLASSIFIED

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FURTHER THOUGHT, AND I THINK WE SHOULD HAVE IN ADDITION TO GENERAL POLICY ADVICES FROM YOU AND FROM YOUR DEPARTMENT AND THE PRESIDENT SPECIFIC ANALYSIS OF THE EFFECT THAT THIS MIGHT HAVE ON THE MILITARY BALANCE IN THE AREA OF THE MIDDLE EAST, FROM OUR OWN DEFENSE PEOPLE.

AND I WOULD HOPE THAT WE WOULD HAVE AVAILABLE EVERYTHING IN SUBSTANCE ALONG THAT LINE THAT HAS BEEN AVAILABLE TO YOU AND TO THE PRESIDENT IN THIS MATTER.

SECRETARY VANCE: COULD I JUST SAY A FEW WORDS ON THAT? WE ARE VERY SENSITIVE TO THE ISSUE WHICH YOU HAVE RAISED, AND FOR THAT REASON, WE ANNOUNCED AS SOON AS WE HAD MADE THE DECISION, BECAUSE WE JUST DIDN'T WANT IT TO LEAK OUT IN A FASHION WHICH WOULD NOT PRESENT THE FACTS. BUT WE WITHHELD EVEN SENDING UP THE INFORMAL NOTIFICATION UNTIL AFTER THE CONGRESS GOT BACK FROM THE RECESS.

IN ADDITION TO THAT, IN ORDER TO GIVE YOU FULL TIME, WE HAVE SAID THAT WE WILL WAIT UNTIL AFTER THE EASTER RECESS BEFORE SENDING UP THE FORMAL NOTIFICATION, AND THIS WAS DONE SO AS TO GIVE THE CONGRESS ADEQUATE TIME TO FULLY CONSIDER THIS.

LET ME SAY THAT WITH RESPECT TO THE MILITARY BALANCE, WE WILL BE PRESENTING TO YOU ALL OF THE FIGURES AND FACTS ON THAT, AND WE ARE PREPARED TO ANSWER ANY AND ALL QUESTIONS THAT ANY OF YOU MAY HAVE.

SENATOR JAVITS: MR. SECRETARY, I UNDERSTAND THE ATTITUDE OF THE ADMINISTRATION, AND I MYSELF SAID THAT I THOUGHT IT WAS VERY FAIR, ORIGINALLY, TO GIVE IT SEVERAL WEEKS EXTRA, WHICH YOU DID, BY GIVING IT TO US AFTER THE UNCLASSIFIED

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EASTER RECESS.

I DO APPRECIATE THE VERY STRONG POINT MADE BY SENATOR CHURCH AND SENATOR CASE, AND I AGREE WITH THEM, BUT I

ALSO SEE YOUR PROBLEM. AND MAY I MAKE A PRACTICAL SUGGESTION? WE WILL COME BACK FROM THE EASTER RECESS; IT WON'T BE A MATTER OF BUT ONE, TWO, THREE DAYS. WHY DON'T YOU AGREE TO COME UP HERE AND TALK WITH US BEFORE YOU SEND UP THE LETTER OF OFFER -- EARLY THAT WEEK -- AND LET US EXPLORE, LET US REVIEW THE BIDDING, RATHER THAN GETTING INTO A DIFFERENCE THAT WE ASK YOU NOT TO SEND IT UP, AND YOU SEND IT UP.

WOULDN'T THAT BE A GOOD IDEA?

SECRETARY VANCE: LET ME SAY I WILL BE DELIGHTED TO COME UP AND DISCUSS IT WITH YOU DURING THAT PERIOD OF TIME, BUT WE FEEL THAT IT IS VERY IMPORTANT THAT WE DO GO FORWARD PROMPTLY AFTER THE EASTER RECESS.

SENATOR JAVITS: I UNDERSTAND THAT. I THINK WE HAVE BEEN OVER THAT, AND I UNDERSTAND IT. BUT CAN'T WE HAVE IT UNDERSTOOD THAT PROMPTLY, AS WE RETURN, BEFORE YOU SEND THE LETTER UP, YOU WILL ACTUALLY COME UP AND TALK WITH US?

SECRETARY VANCE: I WILL CERTAINLY BE GLAD TO DO THAT. I'LL DO IT ON THE FIRST DAY, THE SECOND DAY, WHATEVER DAY YOU WANT ME TO.

SENATOR JAVITS: FINE. THANK YOU SO MUCH. THANK YOU, MR. CHAIRMAN.

SENATOR CHURCH: MY TIME IS UP, MR. SECRETARY. SENATOR CASE?

SENATOR CASE: WHAT ABOUT AID TO SYRIA? I UNDERSTAND UNCLASSIFIED

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THERE WAS A SUBSTANTIAL AMOUNT PUT IN THERE.

SECRETARY VANCE: AID TO SYRIA GOES INTO SECURITY SUPPORTING ASSISTANCE. IT IS 90 MILLION DOLLARS -- JUST ABOUT EXACTLY THE SAME FIGURE THAT IT WAS LAST YEAR.

SENATOR CASE: SYRIA HASN'T BEEN EXACTLY HELPFUL.

SECRETARY VANCE: SYRIA IS SITTING ON THE SIDELINES IN CONNECTION WITH THE PEACE NEGOTIATIONS. THEY HAVE MADE IT VERY CLEAR, HOWEVER, THAT THEY ARE NOT EXCLUDING THEMSELVES FROM THE PEACE PROCESS. THEY HAVE SAID THAT THEY WILL WATCH AND SEE WHAT HAPPENS AND DO NOT EXCLUDE REJOINING THE PEACE PROCESS.

LET ME ALSO INDICATE THAT THEY HAVE STRESSED IN THEIR CONVERSATION WITH US THE IMPORTANCE WHICH THEY ATTACH TO THE BILATERAL RELATIONSHIPS BETWEEN THEMSELVES AND THE

UNITED STATES. AND I THINK IT IS VERY IMPORTANT THAT WE SHOULD PRESERVE THAT BILATERAL RELATIONSHIP, AND I DON'T THINK WE SHOULD DRAW ANY CONCLUSIONS AT THIS EARLY DATE AS TO WHAT THEY MAY OR MAY NOT DO, ULTIMATELY, IN CONNECTION WITH THE PEACE PROCESS

SENATOR JAVITS: MR. SECRETARY, I GREATLY APPRECIATED YOUR TAKING THE POSITION YOU DID ON THESE VERY TROUBLESOME SALES TO SAUDI ARABIA/EGYPT. AND I WOULD LIKE TO TELL YOU THAT I DO NOT BELIEVE THAT ANY OF THESE COUNTRIES SHOULD DEDUCE FROM THIS INTERCHANGE ANY CHANGE IN WHAT I SENSE AS OUR ATTITUDE HERE OR MY ATTITUDE.

WE ARE GOING TO BE FAIR, WE ARE GOING TO BE OBJECTIVE, WE ARE GOING TO LOOK AT THE TOTAL OVERALL INTEREST OF THE UNCLASSIFIED

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UNITED STATES, INCLUDING THE SECURITY OF THE AREA, THE SURVIVAL OF ISRAEL, AND THE COURSE OF THE PEACE NEGOTIATIONS.

AND I HOPE THAT NO ONE WILL CONSTRUE WHAT WE HAVE DONE HERE THIS MORNING AS PREJUDICING THAT OBJECTIVE VIEW AND THE DESIRE TO DO WHAT WE OUGHT TO DO IN THIS AREA OF THE WORLD. IT IS A VERY TOUCHY AREA, AND I THOROUGHLY AGREE WITH MY COLLEAGUES.

I MIGHT SAY THAT SENATOR STONE FIRST STARTED MY THINKING ON THIS, IN RESPECT TO DELIBERATION AS BEING HIGHLY NECESSARY.

MR. SECRETARY, I HAVE TWO MINOR POINTS -- NOT MINOR IN CONSEQUENCE, BUT MINOR TO THE ONE THAT I HAVE IN MIND AS THE FIRST POINT -- THAT I WOULD LIKE TO ASK YOU BOTH TOGETHER, SO AS TO GET AS PROMPT AN ANSWER AS I CAN.

TO WHAT EXTENT IS THE STATE DEPARTMENT REVIEWING THE BIDDING ON THE AID TO THE ARAB REFUGEE CAMPS, THE UNRWA, IN WHICH YOU ARE ASKING FOR THE SAME AMOUNT THAT YOU ASKED BEFORE; WE CUT IT IN ORDER TO HAVE ANOTHER LOOK AT IT. WHAT ABOUT IT? THIS SEEMS TO BE THE FESTERING SORE

OF ALL THE ACTIVITY THAT IS TEARING THE LEBANON APART.

I DON'T SAY WE SHOULDN'T DO IT. I HAVE BEEN ONE OF ITS MOST ARDENT ADVOCATES SINCE THE FORTIES. BUT I SAY, ARE WE REALLY REVIEWING WHAT IS GOING ON, WHAT WE ARE DOING, AND WHY WE ARE DOING IT?

SECRETARY VANCE: LET ME SPEAK VERY BRIEFLY TO IT, AND THEN I WILL ASK GOVERNOR GILLIGAN TO ADD ANYTHING WHICH HE FEELS NEEDS TO BE ADDED.

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WE ARE INDEED FUNDING -- AT THE SAME LEVEL AS LAST YEAR, WHICH I BELIEVE IS 1.5 MILLION DOLLARS -- FOR THE HUMANITARIAN ASSISTANCE TO THE PEOPLE IN THE REFUGEE CAMPS. THIS GOES THROUGH THE UNITED NATIONS, AS YOU KNOW. IN CONNECTION WITH THE DISSEMINATION OF THAT MONEY, IT IS MY UNDERSTANDING THAT THERE ARE VISITS TO EACH OF THESE CAMPS TO ENSURE THAT THEY ARE NOT MILITARY BASED INSTALLATIONS. I KNOW THAT YOU CANNOT DETERMINE WITH EXACTITUDE WHAT PEOPLE LIVING IN THE CAMPS MAY DO WHEN THEY ARE OUTSIDE THE CAMPS. BUT AT LEAST ONE CAN CHECK ON THE SITUATION WITHIN THE CAMPS THEMSELVES.

AND I THINK WHEN ONE SEES THE REALLY VERY DIFFICULT AND DREADFUL CONDITIONS WHICH THESE PEOPLE ARE FORCED TO LIVE IN, IT IS A HUMANITARIAN "MUST" THAT WE DO OUR BEST TO WORK WITH OTHERS TO TRY AND HELP ALLEVIATE THEIR SUFFERING.

GOVERNOR GILLIGAN: SENATOR, I HAVE NOTHING MUCH TO ADD, OTHER THAN THAT THE REQUEST IS 52 MILLION DOLLARS FOR UNRWA, TO BE APPROPRIATED FOR THE BENEFIT OF ABOUT A MILLION AND A HALF PEOPLE -- THE SAME AMOUNT WE REQUESTED LAST YEAR AND 10 MILLION DOLLARS MORE THAN WAS APPROPRIATED; AS YOU KNOW VERY WELL, YOUR ACTION AND THAT OF SENATOR STONE RESULTED IN A REDUCTION OF THE AMOUNT AUTHORIZED.

BOTH THE COMMITTEE AND THE JOINT CONFERENCE REPORT SAID THAT A STUDY WOULD BE UNDERTAKEN BY THE CONGRESS OF THE ENTIRE PROBLEM, AND THE STUDY, SO FAR AS WE ARE AWARE, HAS NOT YET BEEN UNDERTAKEN.

SENATOR STONE: I HAVE TWO SPECIFIC QUESTIONS AND ONE
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GENERAL ONE.

TODAY, THE ASSOCIATED PRESS DISCLOSED THAT EGYPT HAS ORDERED 46 SOPHISTICATED BARRAGE F1 JETS FROM FRANCE,

WITH MANY OF THE CHARACTERISTICS OF THE USF-16.

HAS THE ADMINISTRATION CONSIDERED THIS PROCUREMENT BY EGYPT FROM FRANCE IN CONNECTION WITH ITS REQUEST FOR 50 F55 FOR EGYPT?

SECRETARY VANCE: WE HAVE SEEN THE STORY IN THE PAPER

TODAY. I DO NOT HAVE ANY CONFIRMATION ON THAT STORY. AFTER SADAT LEFT FRANCE, BOTH HE AND THE FRENCH INDICATED THAT NO AGREEMENT HAD BEEN REACHED. THEREFORE, I CANNOT AFFIRM THAT INDEED THE STORY IS CORRECT. WE ARE CHECKING TO FIND OUT WHETHER THERE IS ANY VALIDITY TO THE STORY.

SEANTOR STONE: WOULD THAT HAVE AN IMPACT ON YOUR REQUEST IF IT WERE TRUE?

SECRETARY VANCE: I THINK NOT, BECAUSE THESE ARE AN ENTIRELY DIFFERENT KIND OF AIRCRAFT, AND IT WOULD DEPEND WHAT THE DELIVERY SCHEDULES AND ALL OF THAT MIGHT BE. BUT THIS IS SPECULATIVE AT THIS POINT. I DON'T THINK WE OUGHT TO SPECULATE UNTIL WE KNOW WHAT THE FACTS ARE.

SENATOR STONE: MY SECOND QUESTION IS, IN CONNECTION WITH THIS BILL AND THESE PROPOSALS THAT YOU ARE PRESENTING THE COMMITTEE TODAY, YOU HAVE REQUESTED 90 MILLION DOLLARS OF MILITARY ASSISTANCE, SECURITY SUPPORTING ASSISTANCE, FOR SYRIA.

HAVE YOU TAKEN INTO ACCOUNT THE FACT THAT THE SYRIANS ARE IN MOSCOW WITH MILITARY MISSIONS TO PROCURE SUBSTANTIAL UNCLASSIFIED

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ADDED SOVIET ARMS?

SECRETARY VANCE: LET ME SAY THAT THAT IS NOT MILITARY ASSISTANCE. THOSE ARE ECONOMIC PROGRAMS, DEALING LARGELY IN SUCH THINGS AS ASSISTANCE IN FARMING AND THE LIKE -- AND I WILL ASK GOVERNOR GILLIGAN TO GIVE YOU THE DETAILS OF THAT. NOW, COMING TO THE OTHER PART OF YOUR QUESTION, THE SYRIANS HAVE RECENTLY GONE TO MOSCOW. THEY HAVE ENTERED INTO AN AGREEMENT, THE DETAILS OF WHICH WE DO NOT YET KNOW, WHICH WILL PROVIDE FOR ADDITIONAL MILITARY EQUIPMENT.

IN ARRIVING AT THE DECISION WHICH WE MADE WITH RESPECT TO THE AIRCRAFT TO EACH OF THE THREE COUNTRIES INVOLVED, WE VERY CAREFULLY EXAMINED THE BALANCE WITHIN THE AREA, AND ONE OF THE COUNTRIES TAKEN INTO CONSIDERATION WAS SYRIA.

OUR FIGURES INDICATED -- THE LAST AVAILABLE FIGURES -- THAT SYRIA STOOD AT ABOUT 100 PERCENT OF WHAT THEY HAD IN 1973, AS A RESULT OF PREVIOUS REPLINISHMENTS WHICH THEY HAD RECEIVED LARGELY FROM THE SOVIET UNION. WHEREAS, ON THE OTHER HAND, ISRAEL STOOD AT ABOUT 160 PERCENT OF WHAT THEY HAD IN 1973, AND EGYPT HAD LESS THAN 100 PERCENT, AS A RESULT OF A NUMBER OF FACTORS, INCLUDING THE INABILITY OF SPARE PARTS, DETERIORATION AND THE LIKE.

SENATOR STONE: I WOULD LIKE TO ASK YOU A MORE GENERAL QUESTION IN CONNECTION WITH THIS MORE THAN 4 BILLION DOLLARS WORTH OF ARMS REQUESTS FOR THE MIDDLE EAST THAT YOU HAVE JUST GIVEN US INFORMAL NOTIFICATION OF.

I WOULD LIKE TO QUOTE YOU A STATEMENT BY PRESIDENT
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CARTER IN APRIL OF 1976, AS PRESIDENT, AND I WOULD LIKE YOUR RESPONSE TO THAT IN CONNECTION WITH THIS ARMS REQUEST.

HE SAID, AND I QUOTE: "I DO NOT BELIEVE ARMS SALES BUY LASTING FRIENDS. I AM CONCERNED WITH THE WAYS IN WHICH OUR COUNTRY, AS WELL AS THE SOVIET UNION, BRITAIN AND FRANCE, HAVE POURED ARMS INTO CERTAIN ARAB COUNTRIES FAR BEYOND THEIR LEGITIMATE NEEDS FOR DEFENSE -- FIVE OR SIX TIMES MORE THAN ISRAEL RECEIVES.

"THIS HEAVY RUSH FOR WEAPONS INCREASES THE CHANCE OF WAR. IT POSTPONES PEACE NEGOTIATIONS. IT DEFERS DEVELOPMENT. IT ERODES SECURITY."

WHAT IS YOUR ANALYSIS OF THAT IN CONNECTION WITH THIS NEW ARMS SALE?

SECRETARY VANCE: I WOULD BE VERY HAPPY TO ANSWER YOUR QUESTION. THE PRESIDENT HAS MADE IT VERY CLEAR THAT HE WISHES TO SEE THE NUMBER AND AMOUNT OF ARMS TRANSFERS DECREASED, AND HAS TAKEN STEPS AT THE END OF HIS FIRST YEAR IN OFFICE TO REDUCE THE TOTAL NUMBER.

THIS, HE HAS DONE BY ISSUING A DIRECTIVE FOR AN 8 PERCENT CUT, WHICH COMES TO ABOUT 740 MILLION DOLLARS. NOW, THAT IS ACROSS THE BOARD.

COMING SPECIFICALLY TO THE QUESTION OF THE MIDDLE EAST ITSELF, IN MAKING THESE DETERMINATIONS WHICH HAD TO BE MADE, WE LOOKED VERY CAREFULLY AT THE QUESTION OF BALANCE WITHIN THE AREA, WHICH HAS ALWAYS BEEN ONE OF THE TESTS WHICH WE HAVE APPLIED, AND WE ARE STRONGLY OF THE VIEW

THAT MEETING THE REQUESTS AS WE HAVE PRESERVES THAT BASIC MILITARY BALANCE, AND WE WILL BE GLAD TO GO INTO DETAIL ON
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THIS, INCLUDING ORDER OF BATTLE FIGURES AND THE LIKE, WHEN WE COME UP TO TESTIFY ON ALL OF THE DETAILS OF THE BILL.

INSOFAR AS THE PEACE PROCESS IS CONCERNED, WE BELIEVE THAT THESE ARMS SALES ARE REENFORCING EACH OTHER. THEY GIVE TO THE PARTIES GREATER SELF-CONFIDENCE THAT THEIR LEGITIMATE DEFENSE NEEDS ARE BEING MET. AND WE HAVE REVIEWED THE VARIOUS REQUIREMENTS, AND WE BELIEVE THAT IN THE NUMBERS WHICH WE HAVE AGREED TO, THEY ARE LEGITIMATE REQUIREMENTS.

IF THEY HAVE GREATER SELF-CONFIDENCE, THEN I BELIEVE THEY WILL BE BETTER PREPARED TO TAKE THE RISKS WHICH ARE NECESSARY IN CONNECTION WITH ANY PEACE AGREEMENT. AND THIS HAS BEEN A SUBJECT WHICH WE HAVE DISCUSSED WITH ALL OF THE PARTIES MANY TIMES.

SENATOR PERCY: MR. SECRETARY, I WOULD LIKE TO STATE THREE GOALS THAT WE MIGHT HAVE IN THE MIDEAST, JUST TO SEE WHEN WE CONSIDER THIS PACKAGE THAT YOU ARE DISCUSSING AND PRESENTING TO US, WHETHER THE THREE GOALS SHOULD BE KEPT IN MIND, AND ALL THREE OF THEM.

FIRST, IT IS HIGHLY DESIRABLE -- CERTAINLY AT THIS POINT IN HISTORY, WHEN SO MUCH RESTS UPON WHAT HAPPENS IN THE MIDEAST -- THAT WE DO HAVE NOT ONLY A BIPARTISAN POLICY, BUT WE HAVE A POLICY THAT CAN UNITE THE EXECUTIVE BRANCH AND THE CONGRESS. I CONSIDER THAT EXTRAORDINARILY VITAL FOR US TO CARRY OUT OUR ROLE OUT THERE.

SECONDLY, WHEN WE TALK ABOUT YOUR ADVISING US AS TO THE BALANCE OF POWER AND ANY CHANGES IN THE BALANCE OF POWER,
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WHAT WE BOTH HAVE IN MIND -- EXECUTIVE AND CONGRESS -- IS ANY BALANCE OF POWER THAT WOULD CHANGE OR ENDANGER THE SURVIVAL OR THE SECURITY OF ISRAEL AS A NATION AND ITS PEOPLE -- TO WHICH WE ARE TOTALLY AS A NATION COMMITTED, AND ANYONE AND EVERYONE SHOULD KNOW OUR TOTAL DEVOTION TO THAT OBJECTIVE.

BUT THE THIRD OBJECTIVE WE HAVE, IN LOOKING AT THIS PACKAGE AND THE CONSIDERATION WE MUST GIVE TO IT, IS TO CONTINUE OUR ROLE AND STRENGTHEN OUR ROLE AS MEDIATOR IN THE MIDDLE EAST, BECAUSE BOTH SIDES HAVE SAID WE ARE TOTALLY VITAL TO ACHIEVING THAT, AND THAT WE SHOULD GIVE CONSIDERATION IN THAT PACKAGE TO WHAT IT DOES TO

STRENGTHENING OUR ROLE AND ENHANCING OUR ABILITY TO ACT IN THE ROLE THAT BOTH SIDES HAVE ASKED US TO WORK IN.

ARE THOSE THREE CONSIDERATIONS WE SHOULD GIVE IN THE SUCCEEDING WEEKS AS WE LOOK AT THIS PACKAGE?

SECRETARY VANCE: YES, THEY ARE THREE CONSIDERATIONS WHICH WE SHOULD CLEARLY GIVE ATTENTION TO. AND I BELIEVE THAT WE CAN MEET EACH OF THOSE CONSIDERATIONS.

I WOULD HOPE WE WOULD HAVE A BIPARTISAN -- AND I BELIEVE WE WILL -- VIEW OF THIS ISSUE. EVERY INDICATION THAT I HAVE SEEN IS THAT THIS IS GOING TO BE TREATED AS A BIPARTISAN MATTER. IT IS TOO IMPORTANT NOT TO BE A BIPARTISAN MATTER.

IN TERMS OF BALANCE, WE HAVE REVIEWED VERY CAREFULLY THE QUESTION OF NOT ALTERING THE BASIC MILITARY BALANCE IN THE AREA. AND, LET ME REAFFIRM OUR COMMITMENT -- AND THERE CAN BE NO QUESTION ABOUT IT -- TO THE SECURITY OF ISRAEL. WE BELIEVE THAT THAT IS FULLY PROTECTED IN THE PACKAGE WHICH WE ARE SENDING FORWARD.
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INSOFAR AS OUR ROLE AS A MEDIATOR IS CONCERNED, IT IS INDEED THE FACT THAT ALL OF THE PARTIES HAVE STATED THAT THEY BELIEVE THAT OUR ROLE IS CRITICAL AS A MEDIATOR, TO HELP TRY AND BRIDGE THE DIFFERENCES BETWEEN THEM.

AND I BELIEVE THAT THIS ACTION WILL STRENGTHEN OUR ABILITY TO ACT IN THAT ROLE.

SENATOR MCGOVERN: MR.SECRETARY, WITH REGARD TO THE JET AIRPLANE SALE TO THE MIDDLE EAST, THERE ARE TWO ASPECTS OF IT THAT I THINK DISTURB A GREAT MANY PEOPLE. ONE IS THE TIMING OF THE DEAL, AT A TIME WHEN PEACE NEGOTIATIONS ARE HOPEFULLY MOVING FORWARD BETWEEN EGYPT AND ISRAEL. THE OTHER IS THE RATHER LARGE SIZE OF THE DEAL.

I PERSONALLY AM NOT SO CONCERNED ABOUT THE FACT THAT IT IS A PACKAGE INVOLVING ALL THREE COUNTRIES AS I AM THESE OTHER FACTORS.

WHAT WOULD BE THE IMPACT, IN YOUR OPINION, OF A SIX-MONTH MORATORIUM ON ARMS SALES TO THE MIDDLE EAST?

SECRETARY VANCE: LET ME SAY THAT I THINK THE NEGATIVE EFFECTS COULD BE SEVERE ON THREE DIFFERENT COUNTS. FIRST, I THINK WE HAVE TO STAY FROM THE PREMISE THAT WE ARE

MEETING LEGITIMATE DEFENSE NEEDS. WE ARE SELLING AIRCRAFT TO COUNTRIES WHO ARE CONVINCED THEY NEED AND WE AGREE THAT THEY NEED.

THESE AIRCRAFT, IN THE CASE OF ISRAEL, FOR EXAMPLE, AND SAUDI ARABIA, WILL NOT BE COMING INTO THE INVENTORY UNTIL
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THE THIRD QUARTER OF 1981 -- AND THAT IS THE FIRST OF THE AIRCRAFT.

ON THE OTHER HAND, THEY HAVE TO GET THEMSELVES IN THE PRODUCTION LINE, SO AS TO MAKE SURE THAT THEY ARE GOING TO NOT BE DISPLACED IF THERE SHOULD BE ADDITIONAL REQUIREMENTS COMING ALONG, BE THEY OURS OR OTHERS.

THEREFORE, I THINK THAT IT IS APPROPRIATE TO GO FORWARD AT THIS TIME TO MEET THESE LEGITIMATE NEEDS.

SECONDLY, IF THE SALES TO SAUDI ARABIA AND EGYPT ARE HELD UP, I THINK THEY MAY VERY WELL DECIDE TO TURN TO OTHER SUPPLIERS. AND I THINK THAT ISRAEL'S SECURITY RESTS ON A FIRMER GROUND IF WE ARE THE ONES THAT PROVIDE THESE AIRCRAFT.

SENATOR MCGOVERN: BUT YOU UNDERSTAND, MR SECRETARY, I WASN'T SUGGESTING HOLDING UP JUST PART OF THE PACKAGE, BUT THE ENTIRE PACKAGE.

SECRETARY VANCE: LET ME RESPOND DIRECTLY TO THAT. FOR EXAMPLE, IN THE CASE OF ISRAEL, THESE ARE COMING IN TO REPLACE AIRCRAFT WHICH BY THAT TIME WILL NEED TO BE REPLACED IN LARGE PART.

AND THEREFORE, IT IS IMPORTANT THAT, FOR THEIR PLANNING PURPOSES, THAT THEY CAN GET THEM IN THE PRODUCTION LINE, WITH SPECIFIC SCHEDULES, AND WILL BE COMING IN TO MODERNIZE THEIR AIR FORCE WHEN THEY NEED THAT MODERNIZATION. AND THIS HAS ALL BEEN WORKED OUT WITH THEM IN CONNECTION WITH THEIR PLANNING.

SENATOR MCGOVERN: DO YOU THINK THAT ISRAEL WOULD PREFER TO HAVE THE PACKAGE ARRANGEMENTS GO FORWARD NOW, EVEN THOUGH IT INVOLVES FULL DELIVERIES TO SAUDI ARABIA AND UNCLASSIFIED

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EGYPT, THAN THEY WOULD TO SEE THE WHOLE THING POSTPONED FOR A PERIOD OF TIME?

SECRETARY VANCE: I CANNOT SAY THAT THEY WOULD PREFER THE PACKAGE. I CAN SAY THAT THEY COULD NOT BE STRONGER IN THEIR VIEW THAT THEY NEED A DECISION NOW. THEY HAVE

PRESSED US FOR A DECISION NOW. THEY STAND BEHIND THEIR REQUIREMENT THAT WE MAKE A DECISION AT THIS TIME.

SENATOR MCGOVERN: THE OTHER ASPECT OF MY QUESTION IS WHAT WOULD BE THE IMPACT OF IF NOT POSTPONING, THEN OF

REDUCING THE OVERALL SIZE. SUPPOSING YOU CUT THE WHOLE PACKAGE IN HALF. TO WHATEVER EXTENT YOU ARE TRYING TO BALANCE OFF THE VARIOUS FORCES IN THE MIDDLE EAST WITH PROPORTIONATE DELIVERIES, HOW DOES IT HURT ANYONE IN TERMS OF THEIR STANDING IN THE MIDDLE EAST IF YOU REDUCE THE ENTIRE PACKAGE, SAY, 50 PERCENT?

SECRETARY VANCE: WELL, THESE REQUIREMENTS, IN THE CASES FOR EXAMPLE OF SAUDI ARABIA AND IN THE CASE OF EGYPT, DO NOT RELATE SOLELY TO THE BALANCE BETWEEN THE CONFRONTATION STATES. THEY RELATE TO THEIR REQUIREMENTS WITH RESPECT TO OTHER THREATS TO THOSE COUNTRIES FROM OTHER COUNTRIES IN THE REGION.

FOR EXAMPLE, THE MAIN CONCERN CLEARLY OF THE SAUDIS IS IRAQ, AND THAT IS A DIFFERENT STORY WHEN YOU START BRINGING OTHERS. CHRISTOPHER

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Subject: VANCE TESTIMONY: SENATE FOREIGN RELATIONS COMMIT- TEE
TAGS: PEPR, PGOV, MASS, XF, US, IS, SA, (VANCE, CYRUS R)
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